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# agricultural situation

THE CROP REPORTERS MAGAZINE • DECEMBER 1973  
U.S. DEPARTMENT OF AGRICULTURE • STATISTICAL REPORTING SERVICE

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## AGRICULTURE

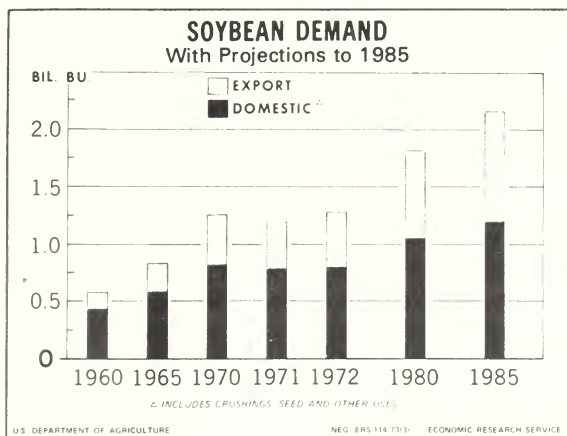
# 1985

## STARRING THE SOYBEAN

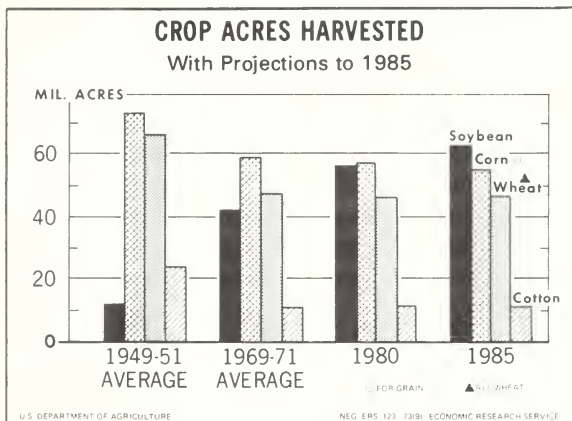
**AGRICULTURE**  
**1985:**  
**STARRING**  
**THE**  
**SOYBEAN**

In the rags to riches saga of the soybean, 1932-72 was a crucial period, marking as it did a nearly 100-fold increase in production and an almost 500-fold hike in value. But the story's not over yet. USDA economists project even further production and earnings gains for the Nation's most valuable crop as domestic and foreign demand for oilseeds continues to soar.

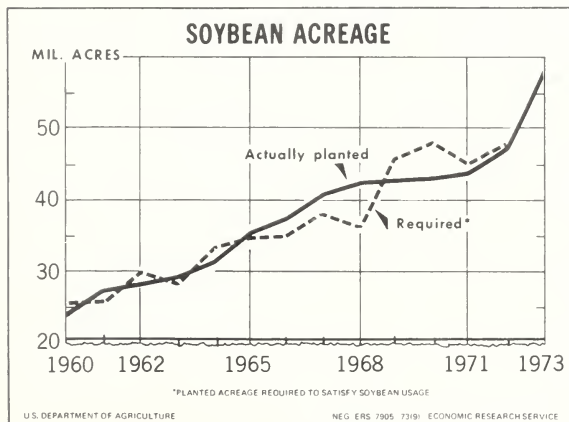




*U.S. soybean needs are projected to reach 2.2 billion bushels by 1985—a gain of two thirds over the record 1.3-billion bushel use of the 1972/73 marketing year. Domestic needs (crush, seed, and other uses) will claim about 1.2 billion bushels by 1985—50 percent above the current year. Meanwhile exports may climb to 1 billion bushels, double those in 1972/73.*



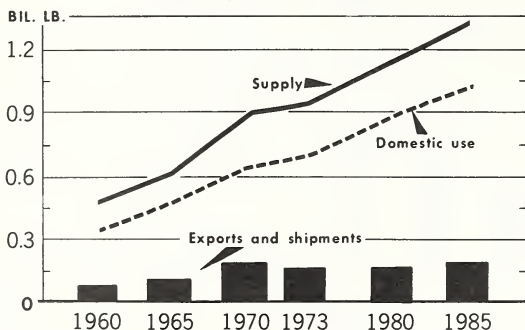
*By 1985 soybeans may require more acres than any other U.S. crop. Future gains will be mostly on new land or corn acreage since farmers have already shifted what they can from small grains and hay to soybeans. Historically soybean yields have risen much more slowly than corn so it will take a high soybean-to-corn price ratio (better than 3-to-1) for soybean to attract much land away from corn.*



*Farmers will need to up their soybean plantings by nearly a tenth from 1973—to 62 million acres—to meet projected U.S. needs by the mid-1980's. Of course, if yields rise faster than the half-bushel-per-acre-per-year assumed by forecasters, less land will be needed. Between 1959-72 the average annual gain in soybean yields came to 0.4 bushel an acre—or about 1½ percent yearly.*

## SOYBEAN OIL SUPPLY AND DISPOSITION

With Projections to 1985



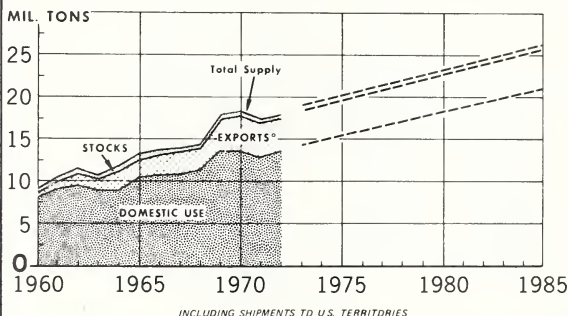
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NEG ERS 7902-73 (9) ECONOMIC RESEARCH SERVICE

Soybean oil supplies are projected to be about 13 billion pounds by 1985—roughly 50 percent or 4 billion more than in the current year. Domestic use may be about 10 billion pounds—85 percent of the total versus 80 percent today—as soybean oil gains a larger share of the U.S. food fat market. Meanwhile, oil available for export will be proportionately less. Projections point to 1985 exports of 2 billion pounds, with 1 billion reserved for stocks.

## SOYBEAN MEAL SUPPLY AND DISPOSITION

With Projections to 1985



INCLUDING SHIPMENTS TO U.S. TERRITORIES

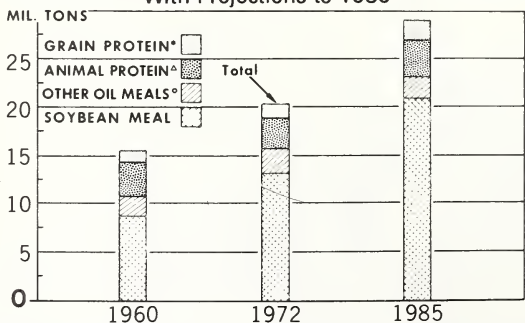
U.S. DEPARTMENT OF AGRICULTURE

NEG ERS 121 73(3) ECONOMIC RESEARCH SERVICE

Soybean meal supplies may climb to about 26 million tons by 1985, some 40 percent over last year's level. Domestic consumption in animal feeds and edible soy products will account for the bulk of use—about 21 million tons. Exports may rise only moderately from the 4-million ton level in 1972 since the bulk of increasing overseas requirements will be met through imports of unprocessed U.S. soybeans.

## HIGH-PROTEIN FEEDS AVAILABLE FOR FEEDING

With Projections to 1985



\*GLUTEN FEED AND MEAL, BREWERS' AND DISTILLERS' DRIED GRAINS  
FISH MEAL AND DRIED MILK PRODUCTS  
ΔTANKAGE AND MEAT MEAL, PEANUT AND COPRA MEALS

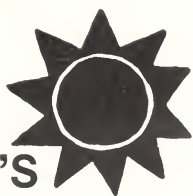
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NEG ERS 122-73(3) ECONOMIC RESEARCH SERVICE

Total high-protein feeds available for feeding are projected to rise 45 percent over the next 10 to 15 years, reaching a potential 29 million tons (44 percent protein soybean equivalent) by 1985. About 90 percent of the prospective gain will be in soybean meal so by 1985 soybean meal may account for three-fourths of total high-protein feeds available. Currently their share is about two-thirds.



## BRAZIL'S BIG BEAN BOOM



High soybean prices. Plenty of suitable growing land. And a general boom in the Brazilian economy.

Together these three factors have made for a 200 percent boost in Brazil's soybean output since 1970—and have earned the South American giant the No. 2 spot in world exports of soybeans, soybean meal, and soybean oil. Only the United States exports more.

Although 1973 production figures are still tentative, it appears this year's soybean crop in Brazil totaled about 175 million bushels, up 40 percent from 1972. And there are various projections which indicate output could easily double in the next few years—placing it at over 350 million bushels by 1980.

Brazil's big bean boom has come about through a combination of larger acreages and higher yields.

Harvested area this year is

estimated at upwards of 7 million acres, more than double the total only 3 years ago. And since Brazil quite possibly has the largest area of undeveloped land suited to soybeans of any place in the world, even bigger increases may yet come.

As for yields, indications for 1973 point to an average of 25 bushels an acre—some 25 percent above the level at the start of the 1970's and 50 percent higher than in the 1960's. More production know-how on the part of Brazilian farmers has undoubtedly played a part in the gain, as has the development of bean varieties specifically adapted to Brazilian climate and soils.

What impact is the Brazilian bean boom likely to have on U.S. soybean exports?

USDA trade experts don't envision Brazil usurping our position as the world's No. 1 soybean supplier. But they do see the possibility that soaring Brazilian output and exports may eventually influence U.S. prices.

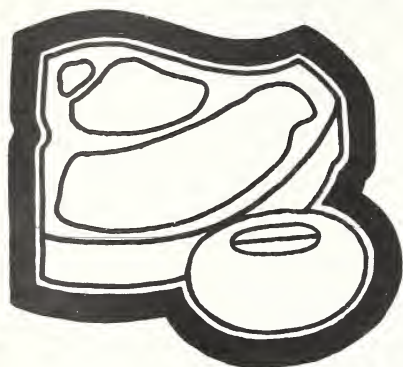
Main markets for Brazilian beans at the present time are in West and East Europe—although Japan may buy significant tonnage this year.

But keep in mind that Japan's total import requirements are much larger than Brazil's soybean exports to the entire world—which means Brazil's share of the Japanese market will be very tiny. The United States is, and probably will remain, Japan's and the world's biggest soybean supplier.

It helps to put Brazil's bean boom into perspective by comparing it with our own production: In 1973 our top two soybean States, Illinois and Iowa, will each produce more soybeans than all Brazil.

And the 350-million-bushel crop projected for Brazil by 1980 will be only a fifth as large as projected U.S. soybean output by then.

# Breakthrough!



## FROM MODEL A TO THE T-BONE

Q. What has four wheels and parts made from soybeans?

A. The Model A Ford.

Believe it or not, parts of Model A and other 1932 Fords were manufactured from soybeans.

While the beans were not destined to play a major part in American automobile manufacture, early efforts like this to develop the wonder crop made possible the soy protein revolution we are now experiencing.

A case in point is that of Robert Boyer, a chemical engineer working for auto magnate Henry Ford following the great depression of 1929.

Boyer's job was to help the American farmer, who was severely hurt by the depression, by finding new uses for his products. The engineer would have truckloads of cantaloups, carrots, or soybeans dumped in front of his lab for his experiments.

Within a year, Boyer settled on soybeans as the crop with the most potential. The ingenious engineer soon found ways of making horn

buttons, gearshift handles, and control knobs for the Model A and the 1932 V8.

Another of Boyer's products played a key role: the attempt to make synthetic wool. The wool-making process involved a stage in which chemicals were used to process the fiber. The quickest way to determine when the process was finished was to taste the fiber.

Boyer put two and two together. He realized that wool is a protein—just not the edible kind. He also recalled a comment his boss, Mr. Ford, used to make—that the cheapest thing in the world ought to be food.

If he was attempting to make an analog from the fibers that grew on the outside of the sheep, why not try to do the same for the meat on the inside?

The first edible vegetable protein fiber using the new process was introduced in 1949, and the patents were filed by Boyer. While other cheaper processes have been developed, Boyer's basic idea paved the way for the spun meat analogs that are being hailed as a promising source of protein to feed the world's hungry.

Central to Boyer's process is a soybean product called soy isolate, which is at least 90 percent protein. This isolate is mixed with an alkaline liquid, and fed under pressure to spinning machines.

These machines force the liquid through a die that contains some 15,000 tiny holes, after which the jets stream out into an acid solution that congeals them into separate pale gold threads of protein—tasteless, odorless, closely resembling taffy in texture, and charged with nutritional value.



These threads are basic to the texture of the almost limitless variety of meats that soy protein can imitate—including boneless T-bone steak.

Sales of meat analogs, while still only a fraction of the meat market, now total more than \$50 million.

Economic Research Service economist William Gallimore, who has done extensive research into soy protein, predicts that by 1980 soy extenders processed by spinning or another method called extrusion could replace up to 20 percent of the meat in processed items.

And it all began with parts for a Model A Ford.

## **AFFLUENT EFFLUENT?**

Of the many potential protein sources uncovered in recent years, one of the more exotic comes from—of all things—tannery wastes.

The lime-sulfide solution used to remove hair from hides is a potent stream pollutant. But a chemist with USDA's Agricultural Research Service (ARS) says it can be converted into a rich source of protein, and undergo waste treatment at the same time.

The process involves the use of centrifugal force on the effluent, plus a series of filtrations. The end product is a protein of 90 to 92 percent purity which when dried emerges as an odorless powder white-to-cream in color.

The process doubles as waste treatment; The protein itself represents 38 percent of the chemical oxygen demand, and the operations involved in removing it take away another 30 percent. That means the polluting powers of the effluent are considerably reduced.

If the treated effluent can then be strengthened and used again in the unhairing operation, the liquid waste would be reduced to virtually zero.

## **OUR BEST KNOWN POP CROP**

Take almost any grain with a moisture content around 23 percent, heat it up, and bang! It explodes.

While some California farmers explode sorghum so their animals get more nutrition, and some exploded breakfast cereals have been on the market for years, America's best known exploded grain is popcorn.

USDA estimates that Americans annually munch around 2 pounds of popcorn per capita. About half gets popped at home; the rest is bought in movie theaters, at sporting events, or appears in candy.

Popcorn firms contract most of the crop. Farmers grow it commercially in about a dozen States, with most production coming from the Corn Belt, primarily Indiana, Iowa, and Nebraska.

Since 1950, harvested popcorn lands have ranged from a 1958 high, 240,000 acres, to a 1963 low, 108,000.

Last year, farmers harvested almost 156,000 acres, yielding an average 3,338 pounds per acre. Production of over 520 million pounds was the third largest on record, and compares with the record 1971 crop of nearly 564 million pounds.

Popcorn had a farm value of \$18 million in 1971 and \$16 million in 1972.

This year, farmers had 146,750 acres for harvest. Indiana led with 37,000 acres, upsetting the traditional popcorn leader, Iowa, where 36,000 acres awaited harvest this year.

Acreage was below 1972 everywhere except Nebraska and Indiana, where it increased 3,000 and 2,000 acres, respectively.

Many Nebraska and Kansas corn acres are irrigated which produce top yields. Kansas' yields averaged 4,600 pounds per acre last year, compared to second place Nebraska with 3,600 pounds per acre.

# **CATTLE CYCLES: WHAT'S THE CURRENT STATUS**

What goes up must come down. So works the law of gravity and so, up until recently, has worked the law of cattle cycles.

Six distinct up-and-down patterns occurred in the number of cattle and calves on farms during the first 91 years SRS tracked the inventory. Each constituted a separate cycle.

But since 1958 cattle numbers have been going in basically one direction—up. (The brief pause in the climb during 1967 was in no way comparable to the sharp downturns of earlier cycles.) So after 15 years of increases—which is twice as long as any other cyclical upturn this century—the big question is when are cattle and calf numbers going to turn down again.

Based on SRS' July 1 midyear cattle inventory (which showed 130.7 million head on farms) and recent slaughter reports, the number of cattle and calves on farms is continuing to increase, says Will Walther, Chief of SRS' Livestock, Dairy, and Poultry Branch.

This year's gain comes on the heels of a 4-million head hike during 1972, 3 million in 1971, and just over 2 million in 1969 and 1970.

How long can this pace keep up?

Walther notes that it takes time for price changes to affect beef production decisions and for these decisions, in turn, to be reflected in slaughter supplies. Producers generally react to prices by expanding or reducing their herds.

To illustrate, the buildup phase of the cattle cycle typically sees a downturn in slaughter as cattlemen withhold beef cows and heifers for expansion purposes. This tends to strengthen prices and encourage even more expansion.

But at a certain point the inventory becomes large enough to pre-

cipitate rather sizable increases in slaughter and then prices may weaken. As prices go down, cattlemen decide to stop holding extra animals for expansion and begin reducing their herds. This adds more animals to the slaughter market and drives prices down even faster.

USDA economists have already cautioned that the growth in the inventory this year may just be significant enough to start the increases in year-to-year cattle slaughter that would eventually shove the inventory down the hill.

However, even in the event of a downturn, Walther notes a number of changes in the structure of livestock production which he feels will necessitate the maintenance of larger inventories of cattle and calves than in prior years.

The most important of these changes is that the growth potential from feeding out a larger share of the calf crop is just about exhausted—meaning that future



increases in beef output will rest heavily on expanding cattle numbers.

At the outset of the 1960's fed cattle marketings accounted for only about half of all cattle sold. Nowadays they comprise roughly three-fourths of the total.

And while some further growth can be expected in the proportion of animals finished in feedlots, it will probably never exceed much more than 80 to 83 percent of total cattle marketings because of the continuous supply of aged cows culled from beef and dairy herds.

The past decade's growth in beef production was also supported by slaughtering fewer calves. In 1972 calf slaughter totaled 3.2 million head, only about 40 percent of the number slaughtered a decade ago. So there's not much potential left for increasing beef output at the expenses of veal production. Again, it will take larger numbers to beef up beef production.

## CALENDAR OF 1974 CATTLE REPORTS

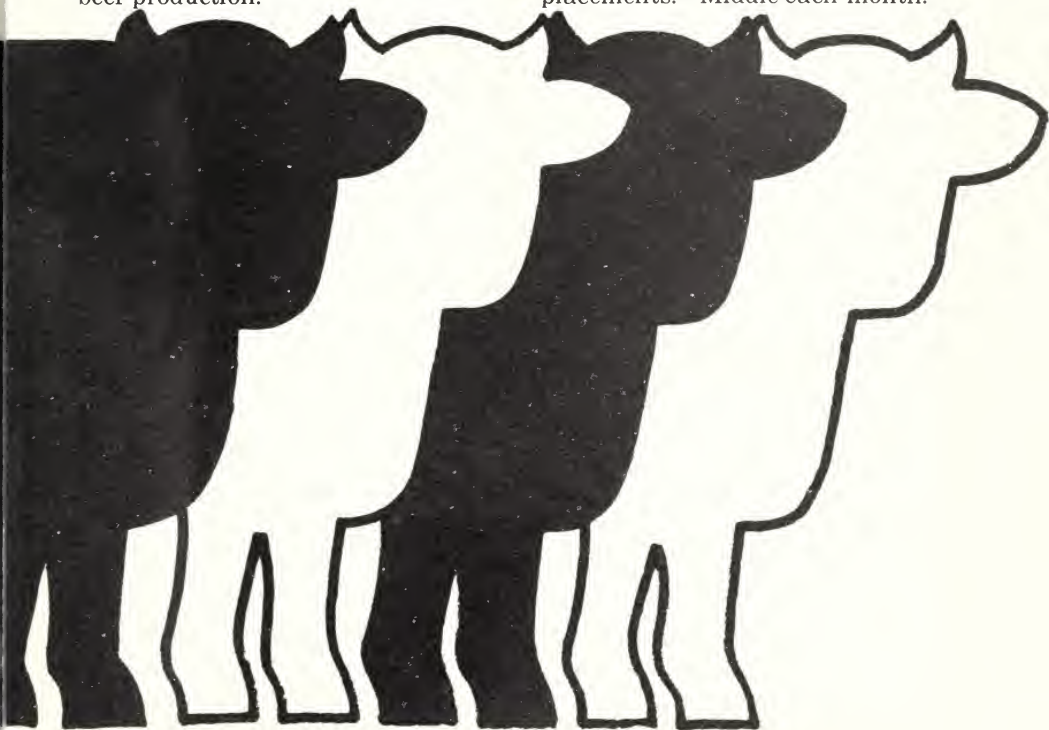
Cattle, number, value, and classes as of Jan. 1, 1974; calves born during 1973; cow inventory July 1, 1973; number of farms keeping cattle and milk cows. Early February.

Cattle, number and classes July 1, 1974; number of calves born and to be born during 1984. Late July.

Cattle on feed, total U.S.: Number on feed January 1, 1974; number of feedlots and fed marketings by size groups. Tentatively scheduled for release Jan. 18.

Cattle on feed, 23 States: Number on feed by classes, weight groups, marketings, and placements. Quarterly.

Cattle on feed, seven States: Number on feed marketings, and placements. Middle each month.





## THE EXPORT CHAMPS

Farmers in 10 States deserve special credit for the role they played in boosting U.S. exports in fiscal 1973 to an all-time high of \$12.9 billion.

These States were the ones which accounted for \$7.6 billion—or nearly three-fifths—of the fiscal year total.

Illinois was the pacesetter, with exports of \$1,311 million—more than a tenth of the total. The other leading States and their export sales (in millions of dollars) were: Iowa, 1,096; Texas, 799; Kansas, 775; California, 774; Indiana, 608; Minnesota, 597; Nebraska, 565; North Carolina, 526; Missouri, 508.

Three other States—North Dakota, Arkansas, and Ohio—each had export sales valued at more than \$400 million.

On a commodity basis, here were the leading export items with sales of the top 10 exporters shown in millions of dollars. (State figures shown are not actual exports but are based on contributions to the Nation's output.)

*Wheat and flour* (U.S. total 2,340)—Kansas, 470; North Dakota, 351; Washington, 182; Montana, 150; Nebraska, 141; Oklahoma, 134; South Dakota, 82; Illinois, 81; Colorado, 77; and Minnesota, 75.

*Feed grains* (U.S. total 2,312)—Illinois, 432; Iowa, 364; Nebraska, 244; Indiana, 197; Texas, 163; Minnesota, 154; Kansas, 127; Ohio, 97; Missouri, 69; and South Dakota, 50.

*Soybeans* (U.S. total 2,288)—Illinois, 467; Iowa, 389;

Missouri, 198; Indiana, 194; Minnesota, 166; Ohio, 145; Arkansas, 144; Mississippi, 88; Louisiana, 68; and Tennessee, 51.

*Cotton* (U.S. total 755)—Texas, 227; Mississippi, 114; California, 98; Arkansas, 82; Louisiana, 40; Arizona, 37; Alabama, 32; Tennessee, 30; Missouri, 24; and Georgia, 20.

*Protein meal* (U.S. total 711)—Illinois, 141; Iowa, 118; Missouri, 60; Indiana, 59; Minnesota, 52; Ohio and Arkansas, 44; Mississippi, 27, Louisiana, 21; and Tennessee, 16.

*Tobacco* (U.S. total 640)—North Carolina, 338; South Carolina, 66; Kentucky, 64; Georgia, 59; Virginia, 49; Tennessee, 23; Florida, 16; Maryland, 11; Connecticut, 6; Massachusetts, Ohio, and Indiana, each 2.

*Hides and skins* (U.S. total 495)—Texas, 49; Wisconsin, 36; Iowa, 32; Kansas, 29; Nebraska, 27; Minnesota, 26; California, Colorado, Oklahoma, and South Dakota, each 20.

*Rice* (U.S. total 435)—Texas, 113; Arkansas, 112; Louisiana, 102; California, 95; Mississippi, 12; and Missouri, 1.

*Fruits and preparations* (U.S. total 457)—California, 237; Florida, 100; Arizona, 19; Hawaii and Texas, 18; Washington, 15; Michigan, 9; Oregon, 8; and New York, 6.

*Meat, excluding poultry* (U.S. total 307)—Iowa, 45; Illinois, 23; Texas, 22; Nebraska, 19; Missouri, 18; Kansas, 17; Indiana, 15; Minnesota, 14; South Dakota, 12; Colorado and Oklahoma, 9.

Fiscal 1973 export sales required the output of 85 million acres of U.S. cropland—or the production of one of every four acres harvested.

The sharp rise in exports—up three-fifths over fiscal 1972—is contributing significantly to the expected increase in farm income from the record of \$19.7 billion in calendar 1972 to an estimated \$24 billion in 1973.



## CLUE TO THE NEW YEAR

Agricultural production in 1974 will be a whole new ball game.

With the elimination of planting restrictions for just about all crops, U.S. farmers can plant their land from fence row to fence row to any crop they choose except cotton, tobacco, peanuts, and sugarbeets.

And the first tipoff as to how farmers are exercising their opportunity for winter wheat will come from the December Livestock and Wheat Survey to be taken by SRS November 23 through December 6.

The same survey will also give everyone the first look at livestock and chicken inventories and what's likely to happen to livestock and poultry production during 1974.

Are farmers responding to the record high prices which have prevailed during much of 1973 by upping production—and if so, how

large are the increases?

To get the answers to these very critical questions about U.S. agriculture, SRS will interview about 29,000 farm operators. These farmers, carefully chosen to represent a cross-section of total U.S. agriculture, will be questioned in detail on their intentions for the spring pig crop; inventories of cattle, hogs, sheep, and chickens; and plantings of winter wheat for harvest in 1974.

State and national acreage estimates for the winter wheat seedings will be released by USDA's Crop Reporting Board in Washington on December 21; the inventory of hogs and pigs will be published on that same date; the count of chickens will be published in January; and the report on cattle, calves, and sheep will be made about February 1, 1974.

SRS takes great pains to make sure its production forecasts and inventory estimates are valid and useful to all in agriculture.

All SRS interviewers are chosen carefully, trained well, and supervised closely. Interviewers also use aerial photos to aid farmers in reporting winter wheat and rye acreages.

In addition, SRS mails questionnaires to a vast number of producers, and special contacts made with some large scale operators serve to round out the agricultural picture and assure that no important information is omitted.

Final estimates are based on a review of all the survey information gathered by enumerators, mail questionnaires, and phone surveys.

Of course the key man in the December survey, the one ultimately responsible for its accuracy, is the U.S. farmer.

As a stand-in for a much larger portion of U.S. agriculture, his cooperation is vital in assuring the completeness and accuracy of the survey. There's simply no good way for SRS to replace a farmer who fails to respond.





Thirty-five million plus Christmas trees are wending their way to market this holiday season—the culmination of 6 to 12

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## HORSEPOWER HIKE

With gains in average size outpacing cuts in numbers, the tractor power available on U.S. farms climbed to 212 million horsepower at the start of 1973, up 1 percent from a year earlier.

Average tractor horsepower for all new machines bought during 1972 was 78, compared with 77 the year before. Nearly 30 percent of the new tractors had 100 hp or more, a 4-percent increase from 1971.

years of work on the part of the Nation's Christmas tree growers.

This year's tree crop is estimated to have involved the efforts of as many as 12,000 full-time growers, marketers, and retailers—plus the part-time help of another 100,000 workers, mostly high school and college students, who assisted with such management practices as shearing, pruning, and cultivation.

The wholesale value of the 1973 trees is estimated at \$90 million, the retail value at \$210 million, according to USDA's Extension Service forester Dr. Richard Marks. Retail tree prices last year averaged \$1 to \$1.50 per foot, with quality the determining factor. Marks looks for a 4- to 5-percent price hike this season.

Almost every State in the Nation grows Christmas trees but the big production centers are the Lake States, the Northeast, and Northwest. Nationwide, Christmas tree farms and plantations are estimated to cover about 450,000 acres.

The Christmas tree industry this year is stressing how well natural trees fit into the Nation's environmental ecology program. As the trees are disposed of by consumers, they can be returned to the soil by using them for mulches or erosion control. Natural trees are biodegradable, while artificial ones are not.

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Four out of five of the machines bought during 1972 were diesel powered, a higher proportion than in years past. Virtually all tractors over 100 hp were diesel fueled. In contrast, about 40 percent of the tractors with under 50 hp were gasoline powered.

Although the number of tractors remained unchanged at 1.6 per farm for the past 5 years, the number of farmworkers declined. Consequently, horsepower available per worker climbed to 48 by the end of 1972 as farmers continued to substitute machinery for labor.

# ag Outlook

DIGESTED FROM OUTLOOK REPORTS OF THE ECONOMIC RESEARCH SERVICE  
FORECASTS BASED ON INFORMATION AVAILABLE THROUGH OCTOBER 1, 1973

**A GREAT YEAR . . .** Higher prices and larger crop marketings should push 1973 gross farm income to about \$84 billion, \$15 million more than last year. And though sharply higher production expenses will eat up about \$60 billion of this total, net farm income will be by far the highest on record. Experts see it totaling \$24 billion, a gain of over \$4 billion from 1972.

●  
**FARM RECEIPTS** totaled about \$31.3 billion by midyear, nearly \$6 billion ahead of first half 1972, thanks to 30% higher prices and 1% greater marketings. Livestock and livestock product earnings had climbed to \$20.7 billion, as higher prices (up 30%) nullified lower sales volume (down 6%). Crop receipts totaled \$10.6 billion, the result of 30% higher prices and 8% larger sales.

●  
**NO BARGAINS . . .** Inputs bore a higher price tag in 1973 than the year before, with the biggest increase occurring for feedstuffs. The index of prices paid by farmers was up more than 20% from a year ago as of mid-September, with feed grains up 75%. However, prices of other items—wages, fertilizer, motor supplies, etc.—also advanced briskly.

●  
**LESS MILK . . .** 1973 may well see the first falloff in milk output in 3 years. Sharp cutbacks in cow numbers and, surprisingly, lower output per cow could make for a 3% drop in total output.

●  
**CULLING QUICKENS . . .** Expensive feed coupled with high slaughter cow prices are tempting farmers to cull their dairy herds heavily. Through August slaughter cow prices were up a third from the year before . . . and milk cow numbers were off nearly 3% in August, the sharpest drop in about 3 years.

●  
**OUTPUT PER COW** just might drop during 1973 . . . the first annual falloff since the 1940's . . . as dairymen cut back on their use of high-priced grains and protein concentrates. During the past decade farmers

managed to achieve a 3% annual gain in output per cow by boosting grain and concentrate feeding from 2,500 to 4,300 pounds per animal. But unfavorable milk-feed price relationships in 1973 just haven't been conducive to heavy feeding.

●  
**GROSS GAIN** . . . Higher prices have pushed up gross dairy income despite a drop in farmers' milk marketings. For all of 1973 gross earnings may total around \$7.8 billion, up from \$7.2 billion in 1972.

●  
**BUT NET LOSS** . . . However, dairymen's gross incomes are rising less this year than their production costs, especially for feed, and net returns to dairying in total will likely decline from 1972 levels. Prices paid by farmers for production items in January-August were up about 20% from a year ago.

●  
**TURKEY TALLY** . . . The 1973 turkey crop is expected to total 132 million birds, 2% more than in 1972. Marketings through early September were running about 5% ahead of a year ago but output will be lower for the September-December period.

●  
**TURKEY PRICES** . . . Lagging output, lower cold storage stocks, and high prices for other meats have pushed turkey prices close to the record levels of 1948-49. New York wholesale prices for 8-16 pound young hens averaged 74 cents a pound during August, up 17 cents from the month before and more than twice as high as a year earlier. Continued high prices for other meats will continue to hold fourth quarter prices above October-December 1972.

●  
**FARMERS' FOOD DOLLAR SHARE** . . . Feeding an urban household was estimated to have cost over \$1,653 (annual rate) as of August 1973 . . . or \$328 more than the year before. Most of the added dollars went to farmers, boosting the farm value of a market basket of foods to \$835, up 58% from August 1972. Farmers thus received 50¢ of each \$1 consumers spent on food.

●  
**DIET DOWN** . . . Per capita food consumption this year appears likely to decline for the first time since 1965. A cutback in per capita use of livestock-related foods outweighs a small increase for crop foods. Meat and egg consumption will drop the most, followed by poultry.

●  
**FOOD EXPENDITURES** . . . Despite the drop in per capita food use, higher food prices are expected to push total food spending up some 15% over 1972's \$125 billion. And because the spending rise will be greater than gains in disposable personal income, it's very likely the share of income spent for food in 1973 will increase for the first time in 15 years.

# Statistical Barometer

Item	1971	1972	1973—latest available data
<b>Prices:</b>			
All prices received by farmers (1967=100)	112	126	191 September
Crops (1967=100)	107	116	183 September
Food grains (1967=100)	94	108	298 September
Feed grains and hay (1967=100)	106	105	187 September
Feed grains (1967=100)	106	101	187 September
Cotton (1967=100)	109	128	197 September
Tobacco (1967=100)	113	123	131 September
Oil-bearing crops (1967=100)	108	116	206 September
Fruit (1967=100)	109	115	133 September
Fresh market <sup>1</sup> (1967=100)	113	123	145 September
Commercial vegetables (1967=100)	114	116	115 September
Livestock and products (1967=100)	116	133	198 September
Meat animals (1967=100)	120	146	218 September
Dairy products (1967=100)	116	119	149 September
Poultry and eggs (1967=100)	101	103	214 September
Wool (1967=100)	52	93	204 September
All prices paid by farmers	120	127	150 September
Ratio <sup>2</sup> (1967=100)	94	99	127 September
Consumer price index, all items (1967=100)	121	125	135 August
Food (1967=100)	118	124	149 August
<b>Farm Income:</b>			
Volume of farm marketings (1967=100)	110	112	101 August
Cash receipts from farm marketings (\$bil.)	52.8	60.7	75.5 <sup>4</sup>
Realized gross farm income (\$bil.)	59.7	68.9	82.5 <sup>4</sup>
Production expenses (\$bil.)	44.5	49.2	58.0 <sup>4</sup>
Realized net farm income (\$bil.)	15.2	19.7	24.5 <sup>4</sup>
<b>Income and Spending:</b>			
Disposable personal income, total (\$bil.)	746.0	797.0	869.7 <sup>4</sup>
Expenditures for food (\$bil.)	117.5	125.0	135.8 <sup>4</sup>
Share of income spent for food (percent)	15.7	15.7	15.6 <sup>4</sup>
<b>Farm Food Market Basket:<sup>3</sup></b>			
Retail cost (1967=100)	116	121	142 July
Farm value (1967=100)	114	124	167 July
Farmers' share of retail cost (percent)	38	40	46 July
<b>Agricultural Trade:</b>			
Agricultural exports (\$bil.)	7.7	9.4	10.4 Jan.-Aug.
Agricultural imports (\$bil.)	5.8	6.5	5.4 Jan.-Aug.
<b>Farm Production and Efficiency:</b>			
Farm output, total (1967=100)	110	111	116 September
Crops (1967=100)	112	113	120 September
Livestock (1967=100)	107	108	107 September
Cropland used for crops (1967=100)	100	98	104 September
Crop production per acre (1967=100)	112	115	115 September

<sup>1</sup>Fresh market for noncitrus and fresh market and processing for citrus.

<sup>2</sup>Ratio of index of prices received by farmers to index of prices paid, interest, taxes, and farm wage rates.

<sup>3</sup>Average quantities per family and single person households bought by wage and clerical workers, 1960-61, based on Bureau of Labor Statistics figures.

<sup>4</sup>Annual rate, seasonally adjusted, second quarter.

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